

Larry E. Craig, Chairman  
Jade West, Staff Director

# Legislative Notice

Editor, Judy Gorman Prinkey

No. 14

June 11, 1999

## **S. 1186 — Energy and Water Development Appropriation Bill, FY 2000**

Calendar No. 128

Reported from the Committee on Appropriations on June 2, 1999, by a recorded vote of 27-1 (Senator Feinstein voted nay), an original bill. S. Rept. 106-58.

### **NOTEWORTHY**

- S. 1186 provides \$21.717 billion in budget authority for fiscal year 2000, an amount which is \$285.9 million below the budget request and \$439.5 million below the enacted appropriation for the current fiscal year. [See attached chart.]
- The bill provides \$12.44 billion for atomic energy defense activities including \$4.6 billion for nuclear waste cleanup.
- Water resource development programs are funded at a level of \$4.6 billion, \$240.8 million below the Administration's request. This, according to Subcommittee Chairman Domenici, is the first time in memory that the Committee provided less than the request.
- Solar energy and other renewable energy programs at the Department of Energy (DOE) are funded at \$353.9 million, which is \$92.1 million below the Administration's request. Some of these funds proposed by the Administration may be to advance implementation of the Kyoto Global Climate Change Accord, a treaty not yet placed before the Senate for its ratification.
- Funds for the Corps of Engineers is reduced from the FY99 amount by \$337 million overall, but operations and maintenance is increased by \$137 million. The Committee notes it did not appropriate funds for any unauthorized projects.
- In response to concerns about espionage activities at Department of Energy laboratories, the Committee provides additional funds for security investigations, counter-intelligence, and for physical security at DOE facilities.

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## HIGHLIGHTS

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### Department of Defense: Corps of Engineers — Civil

- **Corps of Engineers:** The Committee continues the basic mission and activities of the Corps of Engineers and appropriates \$3.76 billion (\$336.9 million less than FY 1999). The Committee cuts the Administration's FY 2000 budget proposal by \$145.4 million. The Committee recommends appropriations including \$125.5 million for general investigations; \$1.11 billion for construction of water resource projects; \$315.6 million for Mississippi River and tributaries flood control; and \$1.79 billion for operation and maintenance activities of the Corps.

### Department of the Interior

- The Committee appropriates \$800.6 million for FY 2000 for the Department of the Interior for water resources development programs. This is \$95.4 million less than the Administration's budget request and \$22.5 million less than the FY 1999 appropriation, including a \$19 million reduction in funds from FY99 for the Bureau of Reclamation.
- The Committee has allocated \$39.4 million for the Central Utah Project Completion Account, the same as the Administration's request; \$612.5 million for the Bureau of Reclamation's Water and Related Resources projects, \$40.4 million less than the Administration's request; \$50 million for California Bay-Delta Ecosystem Restoration, \$45 million less than the Administration's request; \$37.35 million for the California Central Valley Project Restoration Fund, \$10 million less than the budget request; and \$49 million for Policy and Administrative Expenses, the same as the President's request.

### Department of Energy

- **Total Funding:** In Title III of the bill, the Committee provides \$17.08 billion for various functions of the Department of Energy, which include general administrative expenses, nuclear weapons and environmental restoration programs, nuclear research activities, and the power marketing agencies; this amounts to \$17.5 million more than FY 1999, and \$6 million less than the President's request.

- **Personnel Security**

In response to concerns about espionage activities in DOE nuclear weapons laboratories, the Committee provided increased funding for security investigations from \$30 million to \$45 million, for counter-intelligence from the requested level of \$31 million to \$39 million, an amount which is more than double that provided in FY99, and for physical security at DOE facilities, an increase of \$10 million from the requested amount of \$59.1 million. In his opening statement to the full committee, Subcommittee Chairman Domenici noted the bill did not include a broad effort, but rather anticipated the Defense authorization act (then pending) and/or the Intelligence reauthorization bill (currently on the Senate Calendar) would more broadly address the issue.

The Committee does note in the report that the DOE "needs to improve its personnel security practices." In providing an increase from the request for security investigations, the Committee recommends that for employees of the Department and its contractors with access to sensitive or special nuclear weapons information or special nuclear materials, that the DOE contract with the Federal Bureau of Investigation for security investigations.

The Committee also recommends that the DOE implement a graded clearance system. Those with access to sensitive nuclear weapons information or the means to access that information should be required, as a condition of clearance, to submit upon request by the Director of Counter-Intelligence to a counter-intelligence polygraph, and may be required to provide access to financial and other information as the Department warrants.

Finally, the Committee admonishes the DOE not to defer without question to the FBI, but to be proactive in conducting investigations and taking actions to halt espionage, actions which may outweigh the FBI's interest in criminal prosecution.

- **Inappropriate Use of Appropriations**

In previous appropriations bills the Committee has criticized DOE for using appropriations to finance a variety of industry association activities. This year the Committee continues to insist that appropriated funds "should not be used, directly or indirectly, to underwrite the expenses of industry associations or associated entities." Additionally, the Committee addresses exorbitant travel expenses of certain DOE contractors by including its recommendation for a statutory cap on the total amount of funds available for contractor travel costs, and a requirement that each contractor's travel costs in FY 2000 be limited to 80 percent on the amount incurred in FY98.

- **Energy Supply Programs:** This account includes solar and renewable energy, nuclear energy, non-defense environment, safety and health; magnetic fusion energy, research, and other energy support activities. The bill provides \$715.4 million for those programs. This amount is \$11.7 million less than FY 1999 and \$120.7 million less than the Administration's request. The Committee recommends \$353.9 million for solar and renewable energy — \$12 million under the current year but \$92 million below the budget request; \$287.7 million for nuclear energy — \$3.7 million above the FY 1999 amount but \$18.4 million above the President's request. (The budget request for renewable energy likely was reduced due to the Committee's ongoing concern that this administration is attempting to implement the Kyoto Protocol which has not been submitted to the Senate for ratification.) The Committee recognizes the need to continue to investigate the phenomenon of climate change, that is to ascertain if change is indeed occurring, why change is occurring, and what would be the appropriate ways to respond to that change.
- **Non-Defense Environmental Management:** The Committee provides \$327.9 million for these programs, which is \$103.3 million lower than the FY 1999 amount and \$3 million below the budget request.
- **Uranium Enrichment Decontamination and Decommissioning Fund:** The Committee recommends \$200 million for FY 2000 — \$20.2 million less than FY 1999 and \$40.2 million less than the budget request.

- **Nuclear Waste Fund:** The Committee recommends \$242.5 million for FY 2000 — \$73.5 million more than FY 1999 and \$15.5 million less than the budget request.
- **Science:** The Committee recommends \$2.73 billion for FY 2000 — \$42 million more than FY 1999 and \$110.3 million less than the Administration's budget request.
- **High Energy Physics:** The Committee recommends \$691 million — \$6 million less than the Administration's request and \$5.4 million less than FY 1999.
- **Nuclear Physics:** The Committee recommends \$330 million — \$12.9 million less than the budget request and \$5.1 million less than FY 1999.
- **Biological and Environmental Research:** The Committee provides \$429.7 million for FY 2000 — \$13.9 million less than FY 1999 and \$18.5 million more than the budget request.
- **Basic Energy Sciences:** The Committee recommends \$854.5 million for FY 2000 — \$33.6 million less than the budget request and \$45.4 million more than FY 1999.
- **Nuclear Weapons Activities:** The Committee recommends \$4.61 billion for nuclear weapons activities — \$209.8 million more than FY 1999 and \$78.83 million more than the budget request. This includes \$2.35 billion for the weapons stockpile stewardship program and \$2.03 billion for the weapons stockpile management activities.
- **Defense Environmental Restoration and Waste Management:** The Committee recommends \$4.55 billion for FY 2000 — \$46 million more than the budget request and \$241.4 million more than FY 1999. The program is responsible for identifying and reducing health and safety risks, and managing waste at sites where the Department carried out nuclear energy or weapons research and production activities. The program is organized into two program accounts — a site/project completion account (\$993.3 million) and a post-2006 completion account (\$3.01 billion) to reflect an emphasis on project completion and site closures. Activities have been organized into projects, which have more defined scopes, schedules, and costs that support a defined end state at each site.
- **Defense Environmental Management Privatization:** The bill contains \$228 million for privatization activities at various locations. This is approximately the same as the Administration's budget request.
- **Federal Energy Regulatory Commission:** The Committee appropriates \$170 million — \$9.9 million less than the budget request and \$2.5 million more than FY 1999.
- **Defense Nuclear Waste Disposal Fund:** The Committee recommends \$112.5 million to be appropriated from the fund — an amount slightly more than the Administration's request, but \$76.5 million less than FY99. This fund is to pay for costs incurred by the federal government related to the disposal of high-level waste generated from the DOE's atomic energy defense activities. (While this account is decreased, note that the Nuclear Waste Fund, above, receives an increase. Thus, total funding for nuclear waste disposal in FY 2000 amounts to \$355 million.)

## **Independent Agencies**

- **Appalachian Regional Commission:** The Committee recommends \$71.4 million for FY 2000 — \$5 million more than the budget request and \$5 million more than FY99.
- **Nuclear Regulatory Commission (NRC):** The Committee recommends a gross appropriation of \$465.4 million for FY 2000 — the same as the budget request and \$400,000 more than the FY 1999 appropriation. Last year, the Committee was critical of the NRC and urged it to give special attention to replacing unnecessary prescriptive requirements and guidance with performance-based requirements and guidance. This year the Committee notes that progress is being made and that the Commission is working with Congress in addressing its structural problems.
- **Tennessee Valley Authority:** The Committee recommends \$7 million for FY 2000 — the same as the budget request.

## **Rescissions**

- In order to adhere to the subcommittee's allocation and to address the critical ongoing programs and activities, and to be able to respond to Members' requests, the Committee recommends a series of rescissions. Specifically, the recommended rescissions are: \$62 million for Corps of Engineers general construction; \$1.5 million for Corps of Engineers general investigations; and \$5.5 million from the Southeastern Power Administration.

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## **ADMINISTRATION POSITION**

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There was no Statement of Administration Policy available at press time. However, in a letter to Chairman Stevens dated May 27, Office of Management and Budget Director Lew voiced a number of concerns over the reductions in Administration requests for Department of Energy programs including Atomic Energy Defense, Solar and Renewable Energy, and research on the proposed Yucca nuclear waste disposal site. These reductions remain in the final Committee mark and may draw further opposition from the Administration.

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## **COST**

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The Committee's report, prepared in consultation with CBO, contains an estimate that the bill would result in outlays of \$13.326 billion in FY 2000, \$6.37 billion in FY 2001, \$1.24 billion in FY 2002, \$28 million in FY 2003, and \$222 million in FY 2004 and future years.

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## **POSSIBLE AMENDMENTS**

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Jeffords and others: To increase funding for solar and renewable energy.

Other amendments are anticipated, but were not known at press time.

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Staff contact: John Peschke, 224-2946  
[Attachment: chart]

# Energy & Water Development Appropriation Bill, 2000

## (Reported Amounts for Selected Programs)

<b><u>Corps of Engineers</u></b>	<b><u>\$3,760,359</u></b>
General investigations	\$125,459,000
Construction	\$1,113,227,000
Op & maintenance	\$1,790,043,000
 <b><u>Bureau of Reclamation</u></b>	 <b><u>\$761,222,000</u></b>
Water and related resources	\$612,451,000
 <b><u>Department of Energy</u></b>	 <b><u>\$17,078,344,000</u></b>
<i>Non-Defense</i>	
Energy supply programs	\$715,412,000
Environmental management	\$327,922,000
Uranium enrichment decontamination/decommissioning	\$200,000,000
Nuclear Waste Fund	\$242,500,000
Science	\$2,725,069,000
High Energy Physics	\$619,090,000
Nuclear Physics	\$330,000,000
Biologic & Enviro Research	\$429,700,000
Basic Energy Sciences	\$854,545,000
Solar and Renewables	\$353,900,000
Nuclear Energy Programs	\$287,700,000
<i>Defense</i>	
Weapons activities	\$4,609,832,000
Enviro Restoration and Mgmt	\$4,551,676,000
Enviro Mgmt Privatization	\$228,000,000
Other Defense Activities	\$1,872,000,000
Nuclear Waste Disposal	\$112,500,000
Fed. Energy Regulatory Comm.	\$170,000,000
	- \$170,000,000 revenues
 <b><u>Nuclear Regulatory Commission</u></b>	 <b><u>\$465,400,000</u></b>
	- \$442,400,000 revenues
 <b><u>Tennessee Valley Authority</u></b>	 <b><u>\$7,000,000</u></b>
 <b>Bill Total:</b>	 <b>\$21,717,280,000</b>
	- \$69,065,000 recessions